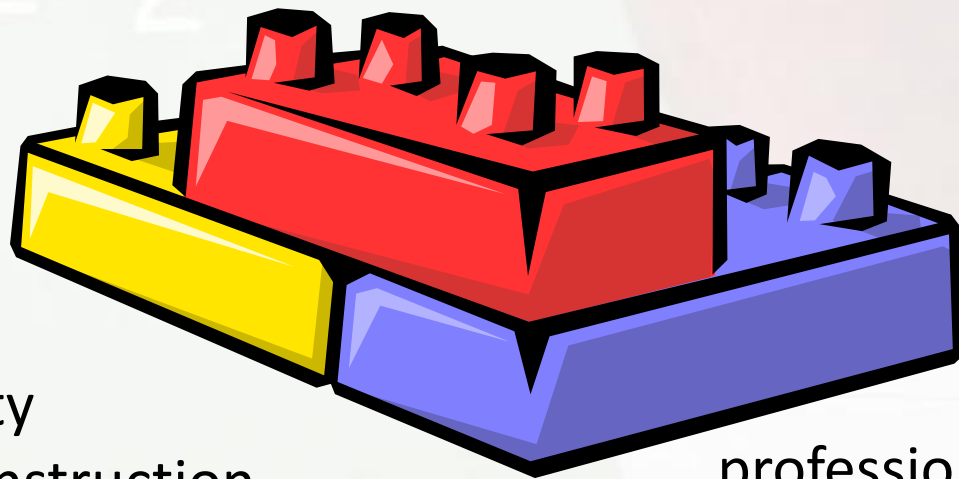


Use of Title III Funds

Pell Meeting
October 8, 2010

Kelly Koenig
Director of
Monitoring/Title III

Building Blocks to an Effective Title III Program that Meets Title III Requirements



high-quality
language instruction
educational program

professional
development

Reviewing LEA Applications & Amendments

Do all of the proposed expenditures meet the following criteria:

- ✓ Are they allowable?
- ✓ Are they allocable?
- ✓ Are they reasonable and necessary to carry out grant functions?
- ✓ Should they be included in the 2% limit as administrative costs?
- ✓ Do they meet supplement, not supplant requirements?

Use of Federal Funds - Criteria

Costs must be...

reasonable

A cost is reasonable if, in its nature and amount, does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.

allocable

A cost is allocable to a cost objective if the goods or services involved are chargeable or assignable to the cost objective in accordance with the relative benefits received.

allowable

A cost is allowable if it is necessary and reasonable for proper and efficient performance of the award and allocable to the award.

(OMB Circular A-87)

2% Cap on Administrative Costs

- ❑ Districts have a limit of **2%** of the Title III grant award for administration.
(section 3115(b))

- ❑ **Administration = administrative costs + indirect costs**

*Examples of **administrative costs**:*

support staff, coordinators, & other personnel that perform administrative functions

- ❑ **Indirect costs** = organization-wide costs 1) incurred for a common or joint purpose benefiting more than one cost objective, and 2) not readily assignable to the cost objectives specifically benefitted

*Example of **indirect costs**:*

utility costs

(Source: OMB Circular A-87)

Supplement, not Supplant Requirement - General

Title III funds must be used to supplement the level of Federal, State and local funds that, in the absence of Title III funds, would have been expended for programs for limited English proficient (LEP) students and immigrant children and youth.

(section 3115(g))

Supplement, not Supplant Requirement - General

The First Test of Supplanting: Required by Law

The Department assumes supplanting exists if –

- An LEA uses Title III funds to provide services that the LEA is required to make available under State or local laws, or other Federal laws.

Supplement, not Supplant Requirement - General

The Second Test of Supplanting: Prior Year

The Department assumes supplanting exists if –
An LEA uses Title III funds to provide
services that the LEA provided in the prior
year with State, local or other Federal funds.

Resources

Office of Management & Budget (OMB) Circular A-87:

http://www.whitehouse.gov/omb/circulars_a087_2004/

EDGAR – (See parts 76 and 80 in particular):

<http://www2.ed.gov/policy/fund/reg/edgarReg/edgar.pdf>

$$1 + 1 = 2$$

Thank you!

